purchase at a price of approximately \$500 to \$600 per-unit and that other similar non-digital converters are available at the approximate cost of \$200 per-unit.

- 19. In my capacity as Senior Vice President, during the week of October 23, 1995, I was also informed, for the first time, by John Philips that Rainbow would need to acquire specific proprietary interface software in order to access any end-user subscribers on Bell Atlantic's system. I was further informed that without this specific software, Rainbow would be unable to offer its video programming service.
- 20. During the conversation with John Philips regarding the necessity of using the proprietary interface access software, I was invited to visit FutureVision's facilities for a demonstration of the required software.
- 21. Also during such conversation, I was informed that the proprietary interface software, Enhanced Provisioning Interactive Communication ("EPIC") (TM), has been licensed by FutureVision to Bell Atlantic for use on the Dover Township network and is the only software able to provide the critical interface access function at this time.
- 22. On November 13, 1995, I visited the FutureVision site in Neptune, New Jersey for the purpose of witnessing a demonstration of the required EPIC software. John Phillips was present for the demonstration.
- 23. After the demonstration, Martin Lafferty, the President of FutureVision, informed me in a private meeting that FutureVision would withhold Rainbow's access to the EPIC software, and thereby deny Rainbow access to Bell Atlantic's system, unless and until Rainbow first licenses FutureVision to carry Rainbow's video programming.

- 24. During such private conversation with Martin Lafferty on November 13, 1995, it was also represented to me that FutureVision would provide up to four set-top units percustomer free of charge to its end-user subscribers in Dover Township.
- 25. During the November 13, 1995 site visit to Futurevision, John Phillips did indicate to me that Bell Atlantic would provide Rainbow with the EPIC software subject to "negotiable" rates, terms, and conditions.
- 26. As of November 29, 1995, however, Bell Atlantic has not provided Rainbow with any price or proposal regarding the rates, terms or conditions of the interface access software so as to enable Rainbow to lease or acquire the necessary EPIC software.
- 27. To the best of my knowledge and information in my position as Senior Vice President, I believe that Bell Atlantic and FutureVision are the only parties that have the right to market the EPIC software to Rainbow.

I declare under penalty of perjury under the laws of the United States of America that the foregoing is true and correct, to the best of my personal knowledge, information, or belief.

Frank DeJoy

Subscribed and sworn to before me this 29 day of November, 1995.

Notary Public in and for the State of New Jersey

A Natory Public of Nam James My Commission Expires Sept. 14, 2000

My Commission Expires:

F1/46759.1



Philips Consumer Electronics

Digital Videocommunication Systems

June 30, 1995

Frank DeJoy 8r. Vice-President Rainbow Cablevision

Dear Mr. DeJoy

Philips Consumer Electronics is pleased to provide you with a quotation for the Modia Access digital home entertainment terminal. As you know, the terminal/set-top is an integral part of a video information network, it is the product that the end customer uses and sees as the embodiment of the digital video network.

Bell Atlantic has chosen Philips as the sole supplier of digital home terminals for the Dover Township, NJ deployment of video dialtone. Bell Atlantic chose Philips because of our world wide reputation for manufacturing the highest quality, leading-edge consumer electronics technology. We are pleased that Cablevision has chosen to take part of this very important deployment and look forward to meeting your needs.

Based on our conversation yesterday, I am providing you with pricing for the Media Access terminal in the quantity break points you requested.

<u>Units</u>	Price Per Unit
10,000	\$1,075
20,000	\$ 98 5
30,000	\$ 945

Terms

- Terminal specifications identical to Bell Atlantic units available at time of general availability
- Net 30
- F.O.B. El Paso, 1'X
- 1 year warranty (return to Philips for repair/return)
- All quantities delivered by 12/96.

Hook forward to discussing the Media Access ferminal with you in more depth next week. Have a pleasant July 4th.

Regards

Alan Slater Sales Manager

Philips Consumer Electronics Company

A Division of Philips Electronics North America Corporation

White Building - Suite 430 333 Mein Street Knowville, I'N 37902

Telephone (\$15) \$95-3660 Sav: :6161 696 3477 Our Commitment To Excellence is Total Customer Setisfaction.

CERTIFICATE OF SERVICE

I, Cheryl S. Flood, hereby certify that on this 30th day of November, 1995, I caused copies of the foregoing "Opposition of Rainbow Programming Holdings, Inc. to Bell Atlantic Direct Case" to be sent by first-class mail, postage prepaid, or to be delivered by messenger(*) to the following:

Cheryl S. Flood

*Regina Keeney, Chief Common Carrier Bureau Federal Communications Commission 1919 M Street, N.W., Room 500 Washington, DC 20554 *International Transcription Services Federal Communications Commission 1919 M Street, N.W., Room 246 Washington, DC 20554

*Geraldine Matise, Acting Chief Tariff Division Common Carrier Bureau Federal Communications Commission 1919 M Street, N.W., Room 518 Washington, DC 20554 *David Nall, Deputy Chief Tariff Division Common Carrier Bureau 1919 M Street, N.W., Room 518 Washington, DC 20554

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*Commissioner Andrew C. Barrett Federal Communications Commission 1919 M Street, N.W., Room 826 Washington, D.C. 20554 *Ann Stevens, Chief Legal Branch, Tariff Division Common Carrier Bureau Federal Communications Commission 1919 M Street, N.W., Room 518 Washington, DC 20554

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